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SUBJECT: TALK SHOWS IN TAIWAN: WHO CARES?

Classified By: DIR Douglas H. Paal, Reason 1.4(D)

1. (SBU) SUMMARY: AIT met with Taiwan media analysts, talk show hosts, and AC Nielsen to assess the viewership and influence of Taiwan talk shows. Analysts agree that only the older generation watches talk shows, and those who watch them are already set in their political beliefs. Thus, talk shows in general do not sway voters who are already clearly affiliated with one political party or another. In terms of ratings, of the top eight talk shows in November 2005, five were identified as "Blue" and the rest "Green." Two of these Green shows have recently been pulled off the air. Media professionals are divided on the reasons for this; some believe the government exercised its influence by pulling government advertisements from Green shows critical of the government since their criticisms would reverberate deeper among Green supporters, while others believe the shows were pulled for their low ratings and thus, out of pure business concern. AC Nielsen, the only ratings agency in Taiwan, told AIT that the government's General Information Office (GIO) has been pressuring them to lower their 'unexpectedly high' ratings for popular Blue talk shows. Rebuffed in their efforts, the GIO has directed the Fair Trade Commission to investigate AC Nielsen's alleged monopolization of the Taiwan ratings market. End Summary.

TV still the most popular medium

2. (U) TV is the most popular medium for news in Taiwan with a penetration rate of over 90%, a 10% increase from 1991, according to AGB Nielsen Media Research. On the other hand, newspaper readership is on the decline, currently at 50% penetration and down from 76% in 1991. The proliferation of twenty-four hour news stations in Taiwan is making it easier for people to get the latest news anytime, contributing to the decline in newspaper readership. There is also a generational divide, with the younger, college-age population getting their news from the Internet, BBS (Bulletin Board Systems), and blogs in addition to TV. Among the general population, the Internet's penetration rate is 38%, up from 20% in 2001, but among 20-29 year olds, the rate is over 60%.

Generational gap in talk show viewership

3. (SBU) According to Emile Sheng, Professor of Political Science at Soochow University and occasional talk show host himself, the most popular TV programs in Taiwan are cartoons, local dramas, variety shows, and talk shows, in that order. Although media analysts are divided on what percentage of the population actually watches talk shows on a regular basis (figures range from 5% to 20%), the general consensus is that there is a generational gap in viewership. According to Sheng and Feng Jian-san, Professor and Chair of the Department of Journalism at National Chengchi University, viewers 40 and above watch the shows on a more regular basis, whereas the younger generation prefer regular news programs or Internet news. AC Nielsen data corroborate this, as ratings for the top five talk shows on TV more than double, and in some cases triple, for people 40 and above.

Talk shows an arena for venting

4. (SBU) Sheng and Liu Yu-li, Professor of Journalism at National Chengchi University and recent selection to Taiwan's newly established National Communications Commission (NCC), both agreed that talk shows do not alter people's fundamental views. The shows merely reinforce viewers' preexisting ideas, giving viewers an arena to "rant and vent" their opinions. Thus, Blue supporters watch "Blue" shows while Green supporters watch "Green" shows. The shows could potentially influence viewers to become more politically active, but viewers largely watch shows that fit their own political color.

Any "Green shows" left?

5. (C) Among the top eight talk shows in November 2005 in terms of ratings, five were "Blue", including the runaway top-ranked TVBS show "Speak Your Mind at 2100" which exposed

the Kaohsiung MRT scandal, and three were "Green." Of the Green shows, two went off the air in early December. Wang Ben-hu, the host of "True Voice of Taiwan," a deep-Green pro-TSU (Taiwan Solidarity Union) show on ERA Much TV that went off the air December 2, blames the DPP government for his show's demise, saying the government started pulling government advertisements from the show after Wang began criticizing it for its "pro-China leanings." Moreover, the new owner of ERA Much TV began reducing the show's budget and staff because, according to Wang, he was afraid of possible retaliatory action by the Democratic Progressive Party (DPP) government. According to Wang, the DPP is more afraid of Green shows because they could influence the political activism of Green supporters, who are the target audience of these shows.

16. (C) Wang considers himself the "voice of (former President) Lee Teng-hui's line of thinking." He made clear to AIT his strong dislike for President Chen Shui-bian, whom he thinks betrayed the Green movement by 'ignoring the will' of people in southern Taiwan. Wang sees himself as the true voice of Taiwan and expressed an interest in running for President in 2008, but his following is mainly deep green and limited to southern Taiwan. It is also apparent that he loathes Chen more than he does the KMT, possibly because he feels snubbed by Chen for not consulting with him on policy issues. This antipathy between pro-Green television media and the DPP mirrors the trend found in the pro-Green print media like the Liberty Times. Several Green media outlets, disillusioned with the DPP, have become more of a thorn in the ruling government's side than even the opposition.

Politics or Business?

17. (SBU) However, Feng and Sheng believe Green shows have lost their popularity in recent months because Green supporters have become demoralized and are thus not watching these shows anymore. They stated that Green shows were at the height of their popularity during the Presidential election in 2004, but after the last Legislative Yuan election, the Green movement began losing its momentum. They suggested that the recent demise of these Green shows is due to basic business concerns. For the business interests running the TV stations, ratings account for everything. Given that ratings for the Green shows in recent months have been one-fifth to one-third that of the top three Blue shows, they find it unsurprising that the stations pulled these shows off the air. The momentum driving the relative popularity of Blue shows mirrors the political resurgence of the pan-Blue camp in recent months, especially following revelations of the KMRT scandal. Sheng expressed surprise at the high popularity of TVBS's "Speak Your Mind at 2100", saying the popularity of such shows will certainly fluctuate with the political climate.

18. (SBU) According to Sheng, TV stations fund their talk shows through advertisements, and they are all eager to receive government advertising revenue. Even TVBS, which recently got into a row with the government, has placed bids for government advertising. In addition to this direct financing, Sheng believes the government also exercises influence on media outlets through loans. For example, ETTV has billions of NT in loans from state-run banks, explaining, in Sheng's view, ETTV's reluctance to air programs critical of the government. However, Feng contends the government's influence is exaggerated, since government advertising revenue account for only 2% of total advertising revenue (NT\$100 billion total revenue).

AC Nielsen under pressure to alter ratings

19. (C) AC Nielsen's Director of Client Service and Research Grace Teng told AIT that the government's General Information Office (GIO) has been pressuring AC Nielsen to change its ratings for talk shows, saying the ratings for "Blue" shows like "Speak Your Mind at 2100" are too high. According to Teng, AC Nielsen has resisted the GIO's nudgings and, consequently, the GIO has pushed the Fair Trade Commission (FTC) to launch an investigation into AC Nielsen's alleged monopolization of the Taiwan ratings market. Teng claimed that there was a Japanese rating company called BMR in Taiwan in the past but that it had closed down in early 2005 because Taiwan's market is too small to accommodate multiple ratings companies. Teng further stated that FTC officials had told AC Nielsen in private that the monopolization investigation is likely to die down now that the December 3 elections have passed.

10. (SBU) AC Nielsen has been widely criticized by media professionals and media outlets for what many consider its 'systematically biased' methodology for rating TV programs. The ratings agency uses a 'people meter' system, in which a set-top box is installed on TVs in 1800 households, with each household representing 1.5 persons. These households are paid a nominal fee for allowing the box in their homes.

During our meetings, both Sheng and Liu expressed their concern about this methodology, saying it is positively biased towards lower income families since they are the ones most likely to allow set-top boxes to be installed in their homes. AC Nielsen admitted that their system is not perfect but believe it the best option at present. They maintained their objectivity, stating that they try to stay above the political fray and only report ratings 'as they are.'

11. (C) Comment: We spoke to a variety of media analysts across the political spectrum in Taiwan. Each, predictably, came with his or her own bias. The clear common denominator coming out of our conversations is that while TV talk shows may occupy the political elite, older generation of voters, and those of us who are interested, a majority of Taiwan's general public, especially the younger generation, does not watch and is not swayed in its political belief by what is said on the shows. The shows are useful mainly as a relatively reliable way to evaluate the political positions of the various camps and their politicians. End Comment.

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